

Amendment No. 2 to SB2705

**Kelsey
Signature of Sponsor**

AMEND Senate Bill No. 2705*

House Bill No. 2982

by deleting the language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 47-14-121, is amended by deleting the section in its entirety and by substituting instead the following:

47-14-121.

(a) Except as set forth in subsections (c) and (e), interest on judgments and decrees entered by any court, except general sessions courts and municipal courts, per annum, shall:

(1) For any judgment entered between July 1 and December 31, be equal to two percent (2%) less than the formula rate per annum published by the commissioner of financial institutions, as required by § 47-14-105, for June of the same year; or

(2) For any judgment entered between January 1 and June 30, be equal to two percent (2%) less than the formula rate per annum published by the commissioner of financial institutions, as required by § 47-14-105, for December of the prior year.

(b) To assist parties and the courts in determining and applying the interest rate on judgments set forth in subsection (a) for the six-month period in which a judgment is entered, before or at the beginning of each six-month period the administrative office of the courts:

(1) Shall calculate the interest rate on judgments that shall apply for the new six-month period pursuant to subsection (a);

(2) Shall publish that rate on the administrative office of the courts' website; and

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(3) Shall maintain and publish on that website the judgment interest rates for each prior six-month period going back to the rate in effect for the six-month period beginning July 1, 2012.

(c) Notwithstanding subsection (a) or (b), where a judgment is based on a statute, note, contract, or other writing that fixes a rate of interest within the limits provided in § 47-14-103 for particular categories of creditors, lenders or transactions, the judgment shall bear interest at the rate so fixed.

(d) The party seeking interest on a judgment shall propose to the opposing party and court the applicable rate of interest. If the parties agree that the rate as proposed is correct, the court shall apply the proposed rate. If a dispute exists as to the applicable rate, the court shall determine and order the applicable rate.

(e) Interest on judgments, including decrees, entered by general sessions courts and municipal courts, shall be computed at the effective rate of ten percent (10%) per annum, except as may be otherwise provided or permitted by statute. However, where a judgment is based on a note, contract, or other writing fixing a rate of interest within the limits provided in § 47-14-103 for particular categories of creditors, lenders, or transactions, the judgment shall bear interest at the rate so fixed.

SECTION 2. This act shall take effect July 1, 2012, the public welfare requiring it and shall apply to all judgments entered on or after the effective date.